
Introduced by Senator Corbett

May 6, 2009

Senate Concurrent Resolution No. 44—Relative to child care.

LEGISLATIVE COUNSEL'S DIGEST

SCR 44, as introduced, Corbett. Child Care.

This measure would request the State Department of Education to review California's current regional market rate methodology and implementation guidelines for subsidized child care, and question whether adherence to the current regional market rate system has resulted in sufficient access for working poor families. The measure would also request that the department operate an open and transparent process where all vested stakeholders are fully versed in the methodology used for the regional market rate survey and are included in the planning and implementation process being undertaken by the department to establish new rates or a new rate structure.

Fiscal committee: yes.

- 1 WHEREAS, In 1990, the federal government began a major
2 investment in child care with the passage of the Child Care and
3 Development Block Grant (CCDBG) Act (42 U.S.C. Sec. 9858 et
4 seq); and
5 WHEREAS, In 1996 CCDBG was expanded as part of federal
6 welfare reform legislation called the Personal Responsibility and
7 Work Opportunity Reconciliation Act (PROWORA). At that time,
8 the child care funding component became known as the Child Care
9 and Development Fund (CCDF); and
10 WHEREAS, A vital cornerstone of CCDF funding is parental
11 choice. Allowing families the ability to choose a child care

1 environment that best meets the needs of the child and the family
2 is an integral part of keeping children learning while parents are
3 earning; and

4 WHEREAS, The intent of both the federal and state child care
5 subsidy programs is to ensure that families have equal access to
6 child care providers who provide child care to nonsubsidized
7 families; and

8 WHEREAS, The subsidized child care reimbursement system
9 should be based on the current regional market rates of child care
10 providers who provide care to private nonsubsidized families; and

11 WHEREAS, California's child care provider reimbursement
12 rate should be updated no less than every two years in accordance
13 with requirements of the United States Department of Health and
14 Human Services and be included as part of California's State Plan;
15 and

16 WHEREAS, The methodology for the California regional market
17 rate survey was last approved in 2005. The methodology approved
18 takes into account 12 different variables including median home
19 values, median gross rent, median real estate taxes, and median
20 household income; and

21 WHEREAS, The California economy has changed dramatically
22 since the methodology for the regional market rate was approved
23 and these changes may have an adverse impact on the upcoming
24 regional market rate survey; and

25 WHEREAS, By the time California conducts and implements
26 the market rate survey, often it is already out-of-date; and

27 WHEREAS, Families are disadvantaged with outdated rates
28 that limit the access to providers who are willing and able to
29 provide quality child care to subsidized children; and

30 WHEREAS, The regulations that govern the implementation
31 of the California regional market rate ceilings can be
32 administratively burdensome and are in need of a more simplified
33 process; and

34 WHEREAS, The regional market rate development process has
35 become inadequate in providing a reasonable rate that affords
36 families access to high quality child care programs and does not
37 always represent the true cost of care; now, therefore, be it

38 *Resolved by the Senate of the State of California, the Assembly*
39 *thereof concurring,* That the Legislature requests the State
40 Department of Education to review California's current regional

1 market rate methodology and implementation guidelines, and
2 question whether adherence to the current regional market rate
3 system has resulted in sufficient access for working poor families;
4 and be it further

5 *Resolved*, That the Legislature requests that the State Department
6 of Education operate an open and transparent process where all
7 vested stakeholders are fully versed in the methodology used for
8 the regional market rate survey and are included in the planning
9 and implementation process being undertaken by the State
10 Department of Education to establish new rates or a new rate
11 structure; and be it further

12 *Resolved*, That the Secretary of the Senate transmit copies of
13 this resolution to the author for appropriate distribution.